

**ASSEMBLY BILL**

**No. 737**

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**Introduced by Assembly Member Fox**

February 21, 2013

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An act to add Article 7 (commencing with Section 12100.1) to Chapter 1.6 of Part 2 of Division 3 of Title 2 of the Government Code, relating to unmanned aircraft systems, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 737, as introduced, Fox. Governor's Office of Business and Economic Development: unmanned aircraft systems: test sites.

Existing federal law, the Federal Aviation Administration Modernization and Reform Act of 2012, provides for the integration of civil unmanned aircraft systems into the national airspace system by September 30, 2015. Existing federal law requires the Administrator of the Federal Aviation Administration (FAA) to develop and implement operational and certification requirements for the operation of public unmanned aircraft systems in the national airspace system by December 31, 2015. Existing federal law requires the administrator to establish a program, as prescribed, to integrate unmanned aircraft systems into the national airspace system at 6 test sites. Pursuant to this requirement, the administrator announced a request for proposals from state and local governments to establish these test sites.

Existing law establishes the Governor's Office of Business and Economic Development, under the control of a director who is responsible to the Governor, to serve as the Governor's lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth.

The office, among others, makes recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic goals.

This bill would require the director to prepare a proposal to establish a test site in California and to consult with an advisory commission and specified local governments in developing the proposal. This bill would require a local government that submits a proposal to the FAA to also send a copy of the proposal to specified state entities, thereby imposing a state-mandated local program. This bill would require the director to submit the proposal to the FAA if a local government does not submit a proposal to the FAA by a specified date.

By requiring a local government to perform additional duties, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) California has experienced deeper and more sustained job
- 4 losses in the aerospace manufacturing industry than the rest of the
- 5 country has in this industry over the last two decades. From 1990
- 6 through 2012, payrolls in California's aerospace manufacturing
- 7 industry fell by 65.9 percent compared to a 34.6 percent decrease
- 8 in the rest of the country and a 43.7 percent decrease in the country
- 9 as a whole.
- 10 (b) In 2010, employment in California's aerospace
- 11 manufacturing industries totaled 109,700 jobs. Over three-fifths
- 12 of these jobs were in the aerospace products and parts
- 13 manufacturing sector, and the remainder were in the search,

1 detection, guidance, aeronautical, and nautical systems and  
2 instruments manufacturing sector. The aerospace manufacturing  
3 industry paid wages totaling \$10.7 billion in 2010. Nearly three  
4 out of every ten jobs in the American guided missiles and space  
5 vehicles manufacturing industry were located in California in 2010.

6 (c) On February 14, 2012, President Obama signed into law the  
7 Federal Aviation Modernization and Reform Act of 2012. The act  
8 requires the Federal Aviation Administration to designate six sites  
9 throughout the United States as unmanned aircraft systems test  
10 sites in order to safely integrate unmanned aircraft systems into  
11 the national airspace system.

12 (d) Unmanned aircraft systems represent one of the fastest  
13 growing segments of the aerospace industry. Given the potential  
14 for defense-related cutbacks currently under discussion at the  
15 national level, it is in California's interest to pursue the location  
16 of an unmanned aircraft systems test site in California.

17 (e) The expanded use of unmanned aircraft systems represents  
18 a major step in aviation innovation and will present economic  
19 opportunities for the communities that are selected for these test  
20 sites and for the aerospace industry.

21 (f) A study conducted by the Association for Unmanned Vehicle  
22 Systems International indicates that the industry has the potential  
23 to create 100,000 jobs in the provision of unmanned aircraft in the  
24 two largest markets for unmanned aircraft, namely agriculture and  
25 public safety.

26 (g) California has a well-established and highly developed  
27 aerospace industry that has a skilled and experienced workforce  
28 and a tradition of entrepreneurship and innovation.

29 (h) California has a network of educational and research  
30 institutions that has helped foster innovation in the aerospace  
31 industry and develop a high technology sector.

32 (i) Aerospace manufacturing jobs are high-paying jobs providing  
33 liveable wages that spur economic growth.

34 (j) The development of a coordinated proposal for California  
35 to establish an unmanned aircraft systems test site can be  
36 accomplished only by bringing together advocates, policymakers,  
37 industry, local governments, and the public to address concerns,  
38 obtain information, research issues, and evaluate alternative  
39 proposals.

1 SEC. 2. Article 7 (commencing with Section 12100.1) is added  
2 to Chapter 1.6 of Part 2 of Division 3 of Title 2 of the Government  
3 Code, to read:

4  
5 Article 7. Unmanned Aircraft Systems Test Sites  
6

7 12100.1. (a) The director shall prepare a proposal to establish  
8 an unmanned aircraft systems test site in California according to  
9 the directions contained in the Federal Aviation Administration's  
10 Screening Information Request DTFAC-13-R-00002. The director  
11 shall complete the preparation of this proposal no later than April  
12 15, 2013.

13 (b) In preparing a proposal, the director shall consult with the  
14 advisory commission established in Section 12100.2 and with local  
15 governments that have demonstrated an interest in establishing a  
16 test site.

17 12100.2. (a) The Advisory Commission on Unmanned Aircraft  
18 Systems is hereby established to advise the director on a proposal  
19 to establish a test site in California.

20 (b) The commission shall consist of nine members who shall  
21 be appointed as follows:

22 (1) The Office of Planning and Research shall appoint one  
23 member from its agency.

24 (2) The Military Department shall appoint one member from  
25 its agency.

26 (3) The Department of Veterans Affairs shall appoint one  
27 member from its agency.

28 (4) The Employment Development Department shall appoint  
29 one member from its agency.

30 (5) The Department of Transportation shall appoint one member  
31 from its agency.

32 (6) The director shall appoint four representatives from the  
33 aerospace industry as follows:

34 (A) One member who is employed by an aerospace company  
35 in a capacity relating to supply chain management.

36 (B) One member from an aerospace company that conducts its  
37 business internationally.

38 (C) One member from an aerospace company that has its  
39 headquarters in California.

1 (D) One member from the California Unmanned Aircraft  
2 Systems Portal Consortium.

3 12100.3. A local government that submits a proposal to  
4 establish a test site to the Federal Aviation Administration shall  
5 also send a copy of the proposal to the director, the Governor, the  
6 Assembly Select Committee on Aerospace, and the Senate  
7 Committee on Energy, Utilities and Communications.

8 12100.4. If a local government does not submit a proposal to  
9 the Federal Aviation Administration by April 15, 2013, the director  
10 shall submit the proposal developed pursuant to Section 12100.1  
11 to the Federal Aviation Administration on or before May 6, 2013.

12 SEC. 3. If the Commission on State Mandates determines that  
13 this act contains costs mandated by the state, reimbursement to  
14 local agencies and school districts for those costs shall be made  
15 pursuant to Part 7 (commencing with Section 17500) of Division  
16 4 of Title 2 of the Government Code.

17 SEC. 4. This act is an urgency statute necessary for the  
18 immediate preservation of the public peace, health, or safety within  
19 the meaning of Article IV of the Constitution and shall go into  
20 immediate effect. The facts constituting the necessity are:

21 In order to develop a coordinated proposal to establish an  
22 unmanned aircraft systems test site in California before the deadline  
23 set by the Federal Aviation Administration, it is necessary that this  
24 act take effect immediately.